

# HOUSE . . . . . No. 3905

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## The Commonwealth of Massachusetts

PRESENTED BY:

**Jennifer M. Callahan**

*To the Honorable Senate and House of Representatives of the Commonwealth of Massachusetts in General Court assembled:*

The undersigned legislators and/or citizens respectfully petition for the passage of the accompanying bill:

An Act relative to lifelong learning accounts.

PETITION OF:

NAME:	DISTRICT/ADDRESS:
Jennifer M. Callahan	18th Worcester

# The Commonwealth of Massachusetts

In the Year Two Thousand and Nine

## AN ACT RELATIVE TO LIFELONG LEARNING ACCOUNTS.

*Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:*

**SECTION 1.** Chapter 23H of the General Laws is hereby amended by adding the following section:-

Section 12. The department shall establish lifelong learning accounts (LiLA) to promote and encourage the pursuit of continuing education the post-secondary level of study. All public employers would be required to make a matching minimum contribution based on the contribution of an employee and place it in a savings account that can only be accessed for the purposes of such post-secondary education and related costs. Private employers would be encouraged to participate in the program and contribute matching funds to employees who contribute to their LiLA in the same way as public employers.

Employees and employers may contribute a total of \$2,500 per year into an LiLA.

**SECTION 2.** Section 6 of chapter 62 of the General Laws is hereby amended by adding the following subsection:-

(m) A tax credit shall be allowed against taxes imposed by this chapter to private employees and employers who voluntarily contribute to lifelong learning accounts established by section 12 of chapter 23H. The tax credit for employers would be 25% of their total contributions to their employees' accounts. An employee would receive a tax credit up to \$750 based on the maximum yearly contribution of \$2,500. Lifelong learning accounts earnings shall be tax free and taxes shall be collected therein at the time of withdrawal.